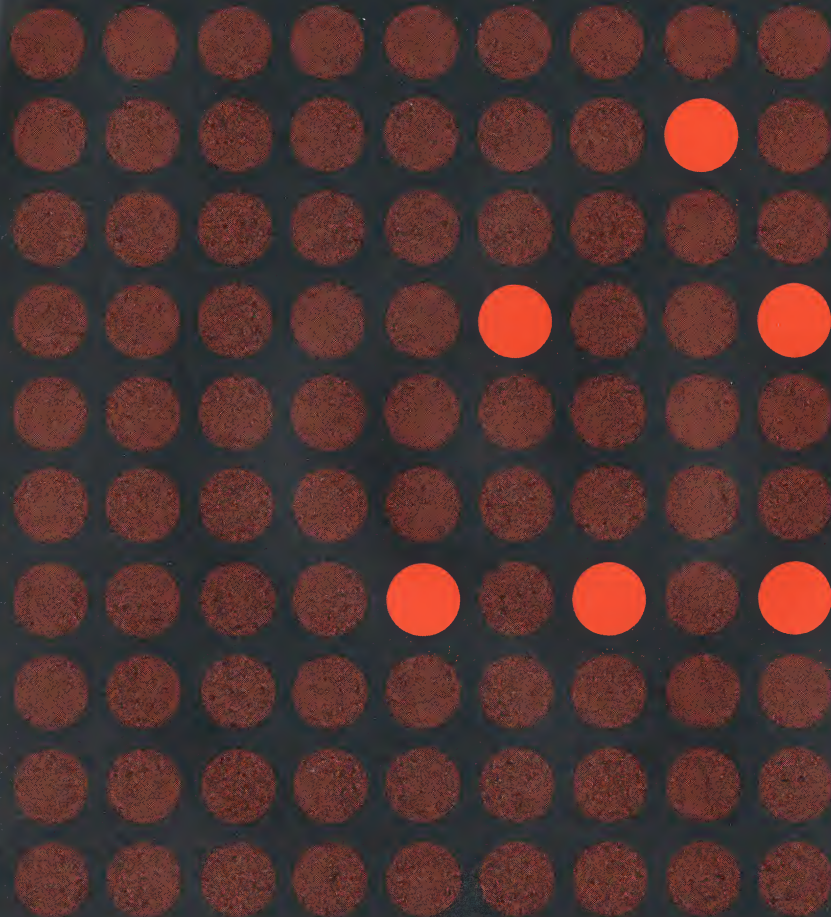




Management Information Systems Design

Principles, Practices & Problems in Supervising Data Processing Operations

EDP Systems for Accounts Receivable & Credit Management

Pheasant Run Lodge, St. Charles, Ill. (Chicago Area) December, 1968

AMERICAN MANAGEMENT ASSOCIATION

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MANAGEMENT INFORMATION SYSTEMS DESIGN

Workshop Seminar #6189-65

Pheasant Run Lodge, St. Charles, Ill. (Chicago Area)

December 11-13, 1968

This seminar is designed for experienced systems, data processing and administrative executives charged with long-range responsibility for designing and implementing an over-all management information system. With other seasoned executives you'll work out approaches to these critical aspects of the planning job: establishing long-range objectives . . . making short-range improvements consistent with long-range corporate objectives . . . and establishing a long-range systems timetable.

In informal discussions, you'll gain practical insight into factors that will shape the future operating environment of company operations — learn how these should provide the basis for determining requirements which must be taken into account in planning your management information system. You'll focus the collective experience of the group on working out solutions to economic and administrative problems . . . and coordinating management information systems plans with other key management priority projects. Most important — you'll increase your understanding of how an over-all approach to systems improvements produces better initial results and avoids costly replanning during later stages of the over-all program. *This meeting is limited to 15 managers — only one from a single company.* Ensure your place today by mailing the clip-out card. Or, for immediate confirmation, wire or phone AMA's Seminar Registrar in New York City.

Discussion Leaders:

H. O. HAGEN
Manager, Business Systems
Trans World Airlines, Inc.
Kennedy Space Center, Fla.

JAMES R. LARSON
Senior Systems Analyst
Massey-Ferguson, Inc.
Des Moines, Iowa

SEMINAR OUTLINE

I. OBJECTIVES

- A. Examination of the Scope and Objectives of Your Management Information System Relating to the Existing Organizational Components of the Business
- B. The Importance of Coordinating This with the Long-Range Plan of the Business
- C. Setting the "Target" for the Business Information System to Fit and Complement the "Target" of the Business

II. ORGANIZATION OF THE SYSTEMS DESIGN SECTION

- A. Responsibility
- B. Authority
- C. Relationships to Other Segments of the Business.
- D. Company Policies
- E. Executive Steering Committee
- F. Line Management
- G. Functional (e.g., 1-Inventory Control; 2-Accounting; 3-Engineering) Specialists of the Business

III. TOOLS IN DESIGNING SYSTEMS

- A. Data Handling Equipment (1-Data Gathering; 2-Data Transmission; 3-Data Processing; 4-Data Display)
- B. Systems Design Methods
- C. Management Science Techniques
- D. Professional Societies
- E. Leading Technical Magazines and Books

IV. APPROACH

- A. How to Design the New System
- B. Considering the Present System
- C. The Objectives of the Business
- D. Tools We Have to Work With

- E. Coordinating MIS with Other Key Management Priority Projects (e.g., Cost Reduction Programs, Reorganization Plans, Mergers and Acquisitions, Overhead Analysis and Control, Etc.)

V. THE LONG-RANGE SYSTEM

- A. What a Comprehensive Business Information System Should Include
- B. Major Sub-Systems Involved
- C. Analysis of Programming, Communications, Hardware and Related Requirements

VI. IMPLEMENTATION

- A. Planning and Installing the Sub-Systems of the Business Information System. (1-Technical Precedence; 2-Economic Payoff)
- B. Integrating Business Information Needs with Other Data Processing Requirements (1-Scientific Data; 2-Plant Automation; 3-Process and Numerical Control)

VII. EVALUATION

- A. Reporting Progress and Plans to Management
- B. Auditing
- C. Evaluating the Results of Business Systems Installed and Alternative Plans

VIII. RESEARCH AREAS

- A. Management Science and Operations Research
- B. Data Processing (1-Programming Systems; 2-Systems Analysis Techniques, (a) modular planning)
- C. Data Communications and Real-Time Systems

IX. PROBLEMS OF THE REGISTRANTS

WORKSHOP



Designed for: Managers, Systems Designers, Senior Systems Analysts and other technicians who are personally involved with the planning, conceptual design, programming and implementation of Management and Business Information Systems.

Meeting format: Guided discussion; no presentations.

WHAT'S YOUR BIGGEST ACCOUNTS RECEIVABLE PROBLEM...

Asset evaluation? ... credit evaluation? ... cash flow? ... application of payments? ... or pursuit of delinquent accounts?

They're all problems for your company — whether you are the controller, bookkeeper, collection manager, credit executive or company treasurer. The point is that one EDP system designed to focus on your company's accounts receivable and credit management function can furnish important data to each of your company's key credit people — if you make the effort to see how these problems can be interrelated in one EDP system.

For although the computer is no newcomer to the financial areas of business — EDP systems for accounts receivable and credit management are among the latest advances in a constantly expanding range of computer applications.

The important new AMA seminar outlined opposite is structured to provide you with broad insight into mechanized receivable systems ... to help you handle the job of planning for conversion and systems documentation ... and to clarify the differences in fundamental methods of recording and processing your receivables.

AMA has gathered together an outstanding roster of speakers for this meeting. A firm groundwork will be established by discussion of the systems planning phase of a receivables conversion, including the initial feasibility study ... selection of members of the systems team ... the importance of system documentation ... and special considerations related to project phases. They will discuss the latest advances in EDP systems for accounts receivable and credit management in terms of the application of cash and audit of remittances in a computer system ... the special problems typical of many automated systems ... and the development of computer-based management reports.

The speakers will also examine the role of the customer ledger and various types of statements in developing computer-based management reports ... conventional ledgers vs. substitute reports ... open item statements vs. balance forward ... and monthly account statements vs. past due statements. In addition, you'll learn how EDP provides for automating certain phases of the collection function.

You'll learn about the benefits of a computer audit, and reasons why the resulting paper work should be automated. And you'll find out about the advantages of customer master records. Speakers will focus on the important job of mechanizing invoice terms with detailed consideration of option terms, base dates and due dates, invalid terms and the special reasons why management should periodically review all sales terms.

The meeting will conclude with a look into the present use of random access devices and their potential importance in random access systems for credit management. Ample time will be allocated for discussion of individual registrants' problems and special areas of interest.

Review the outline carefully, then plan to send a "team" from your company. However, since over-all attendance at this new meeting must be limited, it's important to get your reservations in early. Fill in and return the clip-out card today. Or, for immediate confirmation, wire or phone AMA's Seminar Registrar in New York City.

ORIENTATION



Designed for: Credit Managers, Accounts Receivable and Collection Managers, EDP Systems Analysts and Designers, and Data Processing Managers interested in the design and implementation of accounts receivable and collection functions on the computer.

Meeting format: Presentation and discussion.

EDP SYSTEMS FOR ACCOUNTS AND CREDIT MANAGEMENT

Orientation Seminar #6281-66

Pheasant Run

December 11-13, 1968

Chairmen:

CONON D. WHITESIDE

President
Whiteside & Co.
New York, N. Y.

Guest Speakers:

KERRY ZWAGERMAN

Assistant to the President
J. B. M. Consultants Inc.
Chicago, Ill.

ROBERT R. FISHABACK

Assistant Data Processing
Manager
Brown & Williamson Tobacco Co.
Louisville, Ky.

SEMINAR OUTLINE

I. THE SYSTEMS PLANNING PHASE OF A RECEIVABLES CONVERSION

- A. Initial Feasibility Study
 1. Establish objectives and determine benefits of new computer system
 2. Estimate total cost of systems work and programming
 3. Make decision as to computerizing receivables
- B. Select Members for Systems Team
 1. Who should be represented
 2. How the team should operate
 3. What not to do
- C. Importance of "System Documentation"
 1. Serves as foundation for all subsequent work
 2. Actual examples; case histories
- D. Project Phases
 1. Review all phases
 2. Time required
 3. Special considerations

II. THE TWO BASIC RECEIVABLES METHODS

- A. Balance Forward Method
- B. Open Item Method (Requires Applying Cash to Specific Invoices, Keying Off, Auditing Earned Discount, Etc.) Each Invoice Becomes a Separate Accounts Receivable Situation ... Because of Invoice Terms

III. INVOICE TERMS — AND HOW TO MECHANIZE THEM

- A. Single Option — Two Option — Three Option Terms
- B. Base Dates and Due Dates
- C. The Effect of "Extra Days"
- D. Mathematical Equivalents of Terms
- E. The Julian Calendar
- F. Invalid Terms
- G. Why Management Should Periodically Review All Sales Terms

IV. APPLICATION OF CASH; THE HEART OF A RECEIVABLES SYSTEM

- A. The 3 Primary Cash Application Methods Now in Use in Automated Receivables
- B. Explanation and Discussion of Each Method
- C. A Review of Production Figures — Special Problems — User Experiences

V. CAN CASH BE APPLIED "AUTOMATICALLY"?

- A. Definition of "Automatic Application" of Cash
- B. Necessary Initial Steps
- C. Special Computer Runs Required
- D. Programming Complexity and Effort
- E. Subsequent Review and Audit Procedures
- F. Clerical Costs Involved
- G. Success Stories; Special Types of Business Using This Method
- H. Case Histories of Trial and Error

VI. HOW TO CONTROL

- A. How to
- B. How to
- C. Use of
- D. The F
- E. Why I

VII. HOW TO FOUND

- A. The "
- B. How t
- C. Custo
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VIII. WHAT TO EFFICIENTLY EVALUATE

- A. Order
- B. Credit
- C. Collec

IX. HOW TO COLLECT COSTS

- A. Use of
- B. How t
- C. Specia
- D. Specia

X. HOW TO RECORD

- A. Data C
- B. How D
- C. Organ

XI. SPECIAL

- A. How to
- B. Specia
- C. Valuab

XII. CONVERT LEDGERS

- A. When
- B. Necess
- C. Set Up
- D. Organi
- E. Balanc

XIII. PRESENT RANDOM CREDIT D

RECEIVABLE MENT

Phoenician Lodge, St. Charles, Ill. (Chicago Area)

JOHN C. STORCK, JR.
President
Storck, Cataldo, Carroll
& Associates, Inc.
New York, N. Y.

WILLIAM J. HARTDIGEN
Manager Systems & Procedures
Joseph T. Ryerson & Sons, Inc.
Chicago, Ill.

AUDIT REMITTANCES; IMPORTANCE OF LING DIFFERENCES

Computer Audit Can Increase Profits
Not to Handle Differences
"Turnaround" Punched Cards for Reporting
Controlling Differences
Cash Received Journal
Resulting Paper Work Should Be Automated

OVERCOME THE USUAL DEFICIENCIES IN AUTOMATED RECEIVABLES

Back-Tracking" and Paid Item Reference Problem
to Clear "Equals" and Deductions From
ner Records

ication and Control of the Serious Problem
Adjusted Deductions
ications for sales manager
ications for top management

THE CREDIT DEPARTMENT REQUIRES FOR OPERATION — AND FOR PERFORMANCE ON

Approval
Interchange Requests
ion Follow-up

AUTOMATE CERTAIN PHASES OF THE ON FUNCTION ... TO REDUCE CLERICAL

Past Due Statements
Print Collection Letters with the Computer
Daily Report Stemming From Cash
Customer Status Reports

CONSTRUCT THE CUSTOMER MASTER

Content
ata Is Used for Special Reports
ation of the Master Record

MANAGEMENT REPORTS

Capture Valuable Data From Cash Audit Runs
Reports for the Credit Manager
e Reports for Money Management

ING CUSTOMER RECORDS FROM O MAGNETIC TAPE FILE

to Start Initial Conversion Planning
ry Steps to Take — and Sequence
Time Table

ing Conversion Teams; Purpose and Functions
g and Control

SE AND FUTURE DEVELOPMENTS OF ACCESS DEVICES: THEIR EFFECT ON PARTMENT OPERATION

PRINCIPLES, PRACTICES AND PROBLEMS IN SUPERVISING DATA PROCESSING OPERATIONS

Workshop Seminar #6176-79

Phoenician Lodge, St. Charles, Ill. (Chicago Area)
December 11-13, 1968

At this small give-and-take discussion meeting, you and other data processing supervisors will join with managers of computer installations in an exchange of ideas and experiences aimed at defining the best guidelines for supervising EDP operations. You'll explore the planning and scheduling of data processing operations . . . recruiting and training of computer personnel . . . establishing and maintaining performance and service standards . . . and control reporting for operations. Through carefully guided discussion, you'll review budgeting and costing practices in data centers . . . planning for equipment changes and system conversion . . . responsibilities of the data processing supervisor, today and tomorrow. Ample time will be allowed for review and discussion of individual problems of registrants.

Registration is limited to 15 operating executives — only one from a company. Register now with the clip-out card. Or, for immediate confirmation of your reservation, wire or phone AMA's Seminar Registrar in New York City.

Discussion Leader:

WILLIAM W. BUTTS
EDP Manager
Mallinckrodt Chemical Works
St. Louis, Mo.

SEMINAR OUTLINE

I. ORGANIZATION

- A. Effects of Operating Policies on the Organization
- B. Computer Room (Open or Closed Shop)
- C. Associated Machine Rooms (Tabulating or Communication Equipment)

II. NEW EQUIPMENT AND APPLICATIONS

- A. Relation to Data Systems Group
- B. Selecting Applications
- C. Timing Reporting Dates
- D. Reports Control

III. BASIC FACT FINDING AND ANALYSIS

- A. Machine Systems Design
- B. Programming
- C. File Making
- D. Clerical Procedure
- E. Testing and Installation
- F. Impact on Personnel

IV. INSTALLATION AND LAYOUT PROBLEMS

- A. Services
- B. Layout
- C. "Conditioning"
- D. Rent vs. Purchase of Equipment

V. MAJOR AREAS FOR CONTROL

- A. Testing Practices
 1. Program review by operations
 2. Establishment of work packages
 3. Determine testing short cuts

- B. Machine Setup Practices
 1. Use of an operations coordinator
 2. Testing programs
 3. Planning off-line operations
- C. Tape Handling Practices
 1. Operator instructions
 2. Production practices
 3. Storage practices
- D. Input-Output Control
 1. Development of schedules
 2. Use of control sheets for processing
 3. Follow-up for schedule completion
- E. Data Transmission and Decentralized Operations
- F. Use of Outside Services

VI. CONTROL REPORTING FOR OPERATIONS

- A. Machine Utilization Reports
- B. Loss Time Reports
- C. Cost of Operation
- D. Methods of Presenting Computer Time
- E. Meter as a Tool for Reporting

VII. JOB COST CONTROL AND COST ALLOCATION

VIII. PROBLEMS OF ATTENDEES

WORKSHOP



Designed for: Data Processing Operations Managers.

Meeting format: Guided discussion; no presentations.

AMERICAN MANAGEMENT ASSOCIATION, INC.
 The American Management Association Building
 135 West 50th St., New York, N. Y. 10020
 Tel. (Area Code 212) 586-8100 (TWX 710-581-6530)

Please register the following executives for the meetings indicated.

☐ NAME	MEETING NO.
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☐ COMPANY	TITLE:
☐ STREET	
☐ CITY	STATE
☐ ZIP	
☐ NAME	MEETING NO.
☐ POSITION	DATES:
☐ COMPANY	TITLE:
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To Register — fill out and return the card. Or, wire or phone the Registrar at the address given. Registrations must be made in advance, and may be made up to the time of the meeting, subject to confirmation. Applicants should not come to the meeting without advance confirmation. Confirmed registrations cancelled later than two weeks before the meeting are subject to a \$25 service charge. Registrants whose applications have been confirmed and who fail to attend a meeting are liable for the entire fee unless they contact the Registrar prior to the meeting to cancel their reservations.

Hotel Accommodations — AMA does not arrange hotel reservations. However, the Pheasant Run Lodge will hold a limited number of

rooms for registrants. To take advantage of this service, act promptly to be sure of accommodations. Please contact the hotel directly for reservations, mentioning AMA to assure preferred treatment.

Registration Fees — The full fee is payable in advance and includes the cost of all luncheons and meeting materials.

	AMA Members	Non- members*
Each three-day meeting	\$165	\$190

***Nonmembers:** Difference between member and nonmember registration fee can be applied to AMA membership. Check box on card for full information.

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